



State of Arizona
Department of Education

Tom Horne
Superintendent of
Public Instruction

CN# 14-09
USDA SP 09-09

MEMORANDUM

To: School Health & Nutrition Program Sponsors

From: Mary Szafranski, Deputy Associate Superintendent
Arizona Department of Education, Health & Nutrition Unit

Nicholas Dunford, Financial Services Director
Arizona Department of Education, Health & Nutrition Unit

Date: February 13, 2009

RE: Competitive Procurement and Private Grants for School Food Programs

Original Signed

The Arizona Department of Education (ADE) has become aware that some Local Education Agencies (LEA) may be applying for, or participating in, grant programs aimed at assisting schools with start-up and/or expansion of their food programs, especially the School Breakfast Program and Summer Food Service Program. The foundations sponsoring these grants are associated with companies that provide goods and services to the school meals programs. A review of these grant programs revealed that at least some contain a mandatory purchasing component, requiring recipients to purchase and use a vendor's specified product for a stipulated amount of time.

This memorandum serves to remind LEAs that they must comply with the requirements in 7 CFR 210.21, 220.16, and 225.17, as well as the requirements in 7 CFR 3016.36 and 3019.40-48 requiring that procurements are conducted in a competitive manner.

Due to the proprietary purchasing requirements imposed by these grant programs, an LEA would be unable to participate in the grant while adhering to all required program regulations, specifically those addressing procurement activities. LEAs that have already received such a grant must take immediate steps to curtail the grant or to ensure that all purchases made as a result of the grant requirements come only from non-program funding sources. The LEA may not go forward with the grant purchasing requirements using nonprofit school foodservice account funds.

Please immediately notify ADE if you have received such a grant or if your receipt of such a grant is pending. If you have any questions or concerns regarding this memo, please contact Ellen Pimental, Contracts Management Officer, at 602-542-6208 or Ellen.pimental@azed.gov.